

Message Text

CONFIDENTIAL

PAGE 01 STATE 002960
ORIGIN SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 R

DRAFTED BY PM/NPO:JPMCGUINNESS:JMM
APPROVED BY PM/NPO:LVNOSENZO
C - MR. FUERTH
S/P - MR. KALICKI
OES - MR. KRATZER (DRAFT)
ACDA - MR. WILLIAMSON (SUBS)
EUR/RPE - MR. LAASE (DRAFT)
EUR/CE MR CHESTER (DRAFT)
EUR/CE - MR. CASAGRANDE
S/S MR SEBASTIAN

-----062228Z 096652 /63

O 062210Z JAN 77
FM SECSTATE WASHDC
TO AMEMBASSY LONDON IMMEDIATE
AMEMBASSY PARIS IMMEDIATE
AMEMBASSY OTTAWA IMMEDIATE
AMEMBASSY BONN IMMEDIATE
INFO USMISSION USBERLIN IMMEDIATE

C O N F I D E N T I A L STATE 002960

EXDIS

E.O. 11652:GDS

TAGS: PARM, ENRG, TECH, GW

SUBJECT: BORSIG CASE

REF: BONN 241

1. FOR LONDON, OTTAWA AND PARIS: EMBASSY IS REQUESTED TO
CONVEY THE GIST OF REFTEL TO APPROPRIATE HOST GOVERNMENT
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OFFICIALS AT MOBERLY, FULFORD, DE NAZELLE LEVEL AND INFORM
THEM THAT WE ARE PURSUING THIS MATTER FURTHER
BOTH IN BONN AND WITH THE GERMAN EMBASSY IN
WASHINGTON. IN TRANSMITTING ABOVE, ADDRESSEES SHOULD URGE
HOST GOVERNMENTS TO MAKE SIMILAR DEMARCHES TO FRG.

2. IN DEPARTMENT'S JANUARY 7 DEMARCHE TO FRG DCM HANSEN,

PM DIRECTOR VEST PLANS TO DRAW ON FOLLOWING POINTS:

-- AS YOU KNOW, WE HAVE HAD REPORTS THAT BORSIG IS APPARENTLY MANUFACTURING HYDROGEN SULFIDE COMPRESSORS IN THE FEDERAL REPUBLIC FOR EXPORT TO INDIA.

-- FROM OUR MOST RECENT DISCUSSIONS HERE AND IN BONN WE ALSO UNDERSTAND THAT SOME OFFICIALS OF YOUR GOVERNMENT BELIEVE THAT THEY LACK THE LEGAL AUTHORITY AND THEREFORE MAY NOT INTEND TO REQUIRE SAFEGUARD ASSURANCES FROM THE INDIAN

GOVERNMENT REGARDING THE USE OF HEAVY WATER PRODUCED WITH THE ASSISTANCE OF THESE COMPRESSORS AS A CONDITION FOR THEIR EXPORT TO INDIA.

-- THESE COMPRESSORS ARE ESSENTIAL COMPONENTS WITHOUT WHICH INDIA WOULD BE UNABLE TO COMPLETE THE HEAVY WATER PLANT NOW UNDER CONSTRUCTION AT KOTA, RAJASTHAN.

-- BOTH IN LONDON AT THE END OF MARCH (ON THE MARGINS OF THE SUPPLIERS' PHYSICAL SECURITY WORKING GROUP MEETING) AND IN WASHINGTON LAST APRIL (DURING BILATERAL DISCUSSIONS) WE WERE ASSURED THAT THE BORSIG COMPRESSORS WOULD BE EXPORTED ONLY IF REQUIRED ASSURANCES WERE RECEIVED FROM INDIAN GOVERNMENT.

-- WE WERE TOLD THAT IF NECESSARY EXPORT CONTROLS COULD NOT BE APPLIED ON A TECHNICAL BASIS, THEN THEY WOULD BE REQUIRED FOR POLITICAL REASONS IN VIEW OF THE HISTORY OF CONFIDENTIAL

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THIS CASE (ESPECIALLY AMERICAN AND CANADIAN ACTIONS).

-- WE BELIEVE THAT THIS EXPORT CASE IS SIGNIFICANT IN LIGHT OF THE MAJOR CONTRIBUTION A COMPLETED KOTA PLANT WOULD MAKE TO INDIA'S UNSAFEGUARDED NUCLEAR PROGRAM. MOREOVER, THE NEAR-TERM START-UP OF THE KOTA FACILITY COULD MAKE INDIA A SUPPLIER OF UNSAFEGUARDED HEAVY WATER IN ABOUT SIX YEARS.

-- CONSEQUENTLY, WE ASK THAT YOUR GOVERNMENT CONFIRM THAT IT WILL SEEK CONTROLS ON THE EXPORT OF THESE COMPRESSORS.

-- WE BELIEVE THAT NOT SEEKING SUCH CONTROLS WOULD BE INCONSISTENT WITH UNDERSTANDINGS REACH CONCERNING THE BORSIG COMPRESSORS. IN ADDITION, WE BELIEVE THAT OBLIGATIONS UNDER ARTICLE I AND III OF THE NPT CLEARLY PROSCRIBE SUCH ASSISTANCE.

3. FOR BONN: DEPARTMENT GREATLY APPRECIATES YOUR

EXCELLENT REPORT ON LATEST DEVELOPMENTS IN THIS CASE. FYI.
DEPARTMENT RECEIVED NOTICE OF RECENT BORSIG MOVES FROM
A US FIRM'S REPRESENTATIVES WHO SPECIFICALLY REQUESTED
THAT THEIR FIRM NOT BE MENTIONED IN ANY DISCUSSIONS WITH
THE FRG IN ORDER TO AVOID DISRUPTION OF RELATIONS WITH
THEIR LICENSEE, BORSIG. CONSEQUENTLY, WE CANNOT BE ANY
MORE FORTHCOMING IN IDENTIFYING OUR SOURCES TO THE FRG.
END FYI.

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PAGE 01 STATE 002960
ORIGIN SS-15

INFO OCT-01 ISO-00 SSO-00 /016 R

66011

DRAFTED BY: PM/NPO:JPMCGUINNESS

APPROVED BY: PM/NPO:LVNOSENZO

S/S-MR SEBASTIAN

-----072333Z 109199 /72 64

R 072050Z JAN 77

FM SECSTATE WASHDC

INFO AMEMBASSY NEW DELHI 0206

C O N F I D E N T I A L STATE 002960

EXDIS

FOLLOWING REPEAT STATE 2960 ACTION LONDON PARIS
OTTAWA BONN INFO USBERLIN DTD 06 JAN

QTE

C O N F I D E N T I A L STATE 002960

EXDIS

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UNQUOTE KISSINGER

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORT CONTROLS, EXPORT LICENSES, COMPRESSORS, HEAVY WATER, NUCLEAR POWER PLANTS, DENARCHE
Control Number: n/a
Copy: SINGLE
Sent Date: 06-Jan-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE002960
Document Source: CORE
Document Unique ID: 00
Drafter: JPMCGUINNESS:JMM
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770006-0384
Format: TEL
From: STATE
Handling Restrictions:
Image Path:
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Legacy Key: link1977/newtext/t19770174/aaaacmru.tel
Line Count: 253
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: be66b8dc-c288-dd11-92da-001cc4696bcc
Office: ORIGIN SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: 77 BONN 241
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 20-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3649866
Secure: OPEN
Status: NATIVE
Subject: BORSIG CASE
TAGS: PARM, ENRG, TECH, GE, US
To: LONDON PARIS MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/be66b8dc-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
22 May 2009
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